to 45 days. Grievances of exporters about delay are promptly examined by RBI for redressal, as and when these are received. Banks have also been advised to bring to the notice of their chief executives all cases of rejection of export credit explaining reasons for rejection. They have also been advised to submit a review note to their Roads on a quarterly basis bringing out date on number of applications (together with quantum of credit) sanctioned within the prescribed time frame, number of delayed sanctions as well as cases pending for sanction together with reasons thereof.

Banking Interest Rates

922. SHRI SUSHIL KUMAR SAMBHAJI RAO SHINDE : Will the Minister of FINANCE be plesed to states:

(a) whether Banking interest rates in respect of deposits as also credits have lately been reduced; and

(b) if so, to what extent and the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) and (b) The structure of interest rates of commercial banks is determined by Reserve Bank of India (RBI) by taking into account a number of factors such as growth rate of the economy, rate inflation, the pace of monitory expansion, the cost of raising resources by banks, the profitability of banks, etc. The interest rates structure of banks is reviewed continuously from time to time keeping in view the above factors. The latest review in this regard was made by RBI in October, 1994. The structure of lending rates of scheduled commercial banks effective October, 18, 1994 and immediately prior to that date is set out below :—

(Per cent per annum)

Size of the credit limit	Rates prior to October, 18, 1994		Rates effective October 18, 1994
	Term loans	All other Advances	All Advances (including term loans)
1. Upto and inclusive of Rs. 25,000/-	12.0	12.0	12.0
2. Over Rs. 25,000/-and upto Rs. 2 lakh	14.0	15.0	13.5
3. Over Rs. 2 Lakh	14 0 (minimum)	15.0 (minimum)	Free

The existing and the revised structure of deposit rates effective November, 1, 1994 are set out below :—

(Per cent per annum)

Category of Amount	Existing Rates	New Rates (effective Nov. 1, 1994)
Current	Nil	Nil
Savings	5.0	4.5
Term Deposits		
46 days to 3 years and above	Not exceeding 10.0	Not exceeding 10.0